

ORIGINAL  
Betty Camargo

W-01303A-08-0227  
SW-01303A-08-0227



**From:** Judy Mullins [jpmullins@cox.net]  
**Sent:** Tuesday, December 09, 2008 11:05 PM  
**To:** Mundell-Web; Mayes-WebEmail; Gleason-WebEmail; Hatch-WebEmail; Pierce-Web  
**Subject:** Increased Water Rates Request - Arizona American Water

Dear Commissioners Mundell, Mayes, Gleason, Hatch-Miller and Pierce,

First, I am not a utility expert and my comments are meant to be constructive from a customer's point of view. I am writing to you as a concerned citizen regarding American Water's rate increase to be discussed at the upcoming hearing on December 16th at the ACC. I will not be able to attend, but received American Water's letter dated 12/5/08 explaining the increase and wanted to express my comments and concerns to the members of the commission.

Second, in comparison, American Water's increase is astronomical to the rate increase in October by the Glendale City Water & Sewer Department (although a municipal system). It's outrageous to ask of our citizens to pay this kind of an increase during these difficult economic times. These are families who are losing their homes, jobs and facing financial hardships. When Glendale only asked for a \$3.20 +/- average increase for the same average consumption that American Water is advocating, why is it fair to ask private citizens to pay a monthly increase of \$14.05 (\$24.16 to \$38.21/mo) for a 5/8" meter to \$25.32 (\$52.83 to \$78.15/mo) for a 1" meter?

Third, Glendale most likely has a larger customer base to spread their cost compared to the customer base of American Water. However, this is not the fault of American Water's existing customers. As a private owned water company, why don't they create/develop new business customers (like most businesses) to take care of the shortfall of expected returns to their investors and not "ding" the customer. It's very unfair and the rate increases should be more in line with the municipal water districts. The shortfall was noted in American Water's rate increase request (Docket #W-01303A-08-0227) documents illustrated as a "key issue" on your website. In fact, it was noted that the last rate increase requested by American Water was actually the ACC's fault for dragging out the approval process and costing American Water a sizeable amount of money. Again, the citizens didn't make that happen, the ACC did and now we get to pay for that delay as well.

Also, why is it that we have a more expensive 1" meter that was installed versus the 5/8" meter? When we purchased our home in Verrado, the ADRE Public Report (dtd 1/13/05) for Parcel 4.610 that was provided by Pulte Homes noted a spec for a 5/8" meter installation not a 1" meter. This requires us to pay twice as much each month in water service for the 1" versus 5/8" meter that is in conflict with the Public Report. Who made the decision to change the spec to the more expensive 1" meter? If American Water chose to do so, why didn't they give notice to the residents of such change before it occurred?

I would hope the commission looks into these concerns and not arbitrarily approve a rate increase for the wrong reasons and at the expense of the citizens. A rate increase is understandable if it's reasonable, but this increase is unconscionable given the current economy. Even a pro-ratio over a 4-year period of time and averaging the costs between a 5/8" and 1" meter would be palatable. The current increase is ridiculous and needs to be seriously reviewed and adjusted.

I would kindly appreciate receiving a response to these concerns. Thank you for your time.

Judy Mullins

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**Betty Camargo**

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**From:** Micaela or Ben Powell [drpow@msn.com]  
**Sent:** Wednesday, December 10, 2008 9:14 AM  
**To:** Gleason-WebEmail  
**Subject:** Arizona American Water

Please do not approve rate changes on Arizona American Water. They are high enough and they just should wait until the developments they are in to build out the houses fully. I do not think we should pay for improvements. Their rates are high enough and do not work with customers very much. One example is when we fill a pool we should not have to pay for sewer fees based on water consumption. All other water companies do this. There are still houses being built in our development and when they are done it will be more money to them when finished. They should just wait or take out new loans. I think they are a California company. They are asking for a huge jump in prices. They should ask us to conserve water or do other things except raise rates when they need more money.

Thank you for listening

12/10/2008